EDD Employment Development Department
State of California

Unemployment Insurance Branch Modernization Strategy

2002 – 2007

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1.0 EXECUTIVE SUMMARY

This Unemployment Insurance (UI) Modernization Strategy outlines a series of program initiatives to modernize the California Unemployment Insurance (UI) program. These initiatives touch most aspects of the UI program, support the recently approved UI Program Business Plan, and align those efforts to the EDD's IT strategies.

Program Background   California has faced significant economic changes in the past year. Economic uncertainty following the events of September 11, 2001, resulted in business closures and job losses, with the state's high-technology industry especially hard hit. California's unemployment rate in July 2002 was 6.3 percent. A year ago, in July 2001, the unemployment rate was 5.3 percent. Total civilian employment remains at 16.4 million, the same level as a year earlier.

The national economic downturn that occurred during Federal Fiscal Year (FFY) 2002 caused a tremendous increase in California's Unemployment Insurance (UI) workload. In 2001, workloads increased for the first time after six consecutive years of decline. In the twelve months that ended June 2002, Weeks Claimed workload was 52.1 percent higher than in the preceding twelve months. In addition, state and federal legislation added complexity to workload processing.

There have been major legislative changes to California's UI program in the last year. The first occurred when Governor Gray Davis signed Senate Bill (SB) 40, Chapter 409, and Statutes of 2001, which mandated California's first increase to UI benefits since 1989. As a result of SB 40, the maximum weekly benefit increases from $230 to $330 in 2002, $370 in 2003, $410 in 2004, and $450 in 2005. This legislation increases the current wage replacement rate from 39 percent to 50 percent by 2003. It also allows part-time workers who meet specific criteria to collect UI benefits, and provides that Worker Adjustment and Retraining Notification payments will no longer be considered wages for UI benefit purposes.

Federal legislation in 2002 authorized two federal extensions of UI benefit eligibility. California implemented the first Federal unemployment benefits extension effective March 10, 2002. California met the Federal criteria for the second extension effective April 7, 2002. Administration of these extensions added to the Unemployment Insurance Branch's workload demands in 2002.

Primary   The EDD is faced with three primary challenges:

Challenges

1. Meeting increased demand by the public that EDD offer services in the same manner in which private sector services are offered (via the Internet, telephone, etc.).

2. Increased pressure through state and federal initiatives to employ cross-program partnering to provide the public access to integrated governmental programs and services.

3. Increased demands on program management to handle larger and more diverse workload with limited overall program operational resources.

UI Program Goals

In response to these challenges, the UI Program Business Plan has three specific goals:

> Goal One: Improve and expand access to UI services for our customers.
> Goal Two: Provide courteous, timely, and accurate services to clients, stakeholders, partners and staff.
> Goal Three: Build both staff and system capacity to meet customer service demands.

Objectives

EDD has identified, through the Expanding Access to e-Government Services (EASe) Feasibility Study Report, plans that address the following objectives:

- Provide desired information and services to EDD customers through fast and secure service delivery systems.

- Ensure convenience for the customer in locating and obtaining needed services and information from the EDD.

- Provide customer-centric service delivery solutions that enable EDD customers to access and obtain the services they need without needing the help of an EDD employee or intermediary to obtain the service.

- Implement operational efficiencies to allow increased workload demands to be met within constrained resources.

- Provide information and services that are valued by customers and oriented to their particular needs and situations.

UI Program Initiatives

The UI Program, in its response to these challenges, is planning a significant number of program initiatives to implement solutions that

meet these objectives. These initiatives will be deployed to take full advantage of the technologies being developed to improved access to services.

The UI Program Business Plan presents fifty-three initiatives that will be undertaken between 2002 and 2007 to address the issues presented.

- Twenty-four will improve access to UI services,
- Three will improve the quality and timeliness of services, and
- Twenty-six will build program capacity to delivery services and meet customer needs.

A copy of the UI Program Business Plan is included with this Modernization Strategy.

Lower Level Business Objectives

The EASe FSR also identified several lower-level business objectives in order to develop the technological environment to support a modern e-government enterprise.

1. Provide EDD customers access to services and information via the most convenient medium to the customer, including telephone, in-person, e-mail, fax, and Internet.

2. Provide service delivery in a manner that allows EDD customers to satisfy their needs in one session with minimal or no need for EDD employee or private intermediary interaction.

3. Provide an environment that ensures EDD customer information is safeguarded for confidentiality, integrity and accessibility.

4. Provide multiple means of program service delivery that minimizes the need for additional facilities and staff, while expanding the hours of service delivery availability.

5. Provide an environment that facilitates the integrated delivery of all EDD services (existing and future) to EDD customers.

6. Provide an environment that facilitates equity of service delivery to all EDD customers regardless of locale, literacy level, language or abilities.

7. Provide an environment that enables swift response to changes in technology evolution, state level Information Technology policy and legislated changes or court decisions regarding service delivery.

8. Provide an environment that allows applications to have multiple presentations (language, casual user, novice and power user levels, ADA compliant) facilitating ease of use, allowing new employees to perform production processing earlier and simplifying application maintenance.

9. Provide an environment that will allow EDD to maintain confidentiality, integrity and accessibility for other EDD program

functions requiring concurrent access to the same information.

10. Provide an environment that facilitates continued access to services in the event of disasters and local service delivery disruptions (also referred to as Business Continuity management).

11. Reduce the cost of desktop and infrastructure management and support.

12. Provide an environment that facilitates EDD development and deployment of EDD's e-Government initiatives in a manner that allows integration with State and federal level e-Government initiatives.

What EDD must do to better meet UI program goals

To be successful, EDD proposes to take the following actions in support of the visioning statement for EDD Business and IT Services, working with IT partners to leverage the evolving IT environment for UI program needs:

- Provide customers and partners multiple access options to non-staffed services and information (Internet applications, Interactive Voice Response Systems, etc.) during and after normal business hours.

- Provide desktop tools that permit contact between EDD and its' customers and partners via voice, electronic mail, fax and internet applications, driven by customer choice. Applications that allow customers self-service access must also allow for interaction with customer service staff when intervention is needed to complete the transaction.

- Build applications that have multiple presentation options for EDD customers and partners designed to fit their particular needs.

- Ensure secure access to mission critical and confidential databases by partners and the public.

- Develop applications that support new partnerships and integrate safely with EDD's technical environment.

- Obtain tools and build processes to monitor and detect inappropriate intrusion or fraudulent activities to EDD resources, recognizing the heightened risk in an e-Government environment.

- Allow for the construction of reusable solutions and new solutions to quickly respond to changing program needs.

- Create the management, technical and operational support structures, policies, processes, and ongoing training necessary to appropriately implement and manage e-Government initiatives.

Integrated

EDD has determined that an integrated approach is required to ensure

approach the success of this Modernization Strategy. The components of this Strategy are interrelated and interdependent. Each of the application development projects builds upon the infrastructure, the data and the functionality built for the previous projects. The planned projects are as follows:

I.   Continued Claims Redesign (CCR)

This project will allow for self-service filing of continued claims for UI benefits, using interactive applications that can be accessed via the telephone or the internet in multiple languages. The project will include providing claimants with the option of Direct Deposit of their benefits. Other aspects of this project are the modernization and upgrade of the automated systems that process benefit authorizations and generate checks.

This project establishes a data repository that will be leveraged by the Internet Initial Claims, Adjudication Automation and NER Benefit Crossmatch projects, and will provide improved reporting functionality. A Feasibility Study Report is being submitted for approval at this time.

II. Internet Initial Claims (IIC)

This Project will provide an interactive application for the Initial Claim process. In addition, interactive applications that can answer claimant specific and general information questions will be added to EDD's Internet site.

Included in this project is a repository for all client personal and contact data. This will allow for the collection of additional data elements such as residence address, e-mail address, alternative phone numbers, as well as a bank routing number needed for the direct deposit portion of the Continued Claims Redesign project. All this data will be stored in one place, which all applications can access. This repository will be instrumental in implementing fraud detection activities and provides alternative addresses to allow more accurate reporting and enable e-mail communications with customers. The client data will also be leveraged by the Adjudications Automation project and the NER Benefit Crossmatch project.

The Internet Initial Claims project adds additional operational data to the data repository built as part of the CCR project. A Feasibility Study Report is being submitted for approval at this time.

III. Call Center Upgrade

Through multiple planned projects, we will provide current call center technology to four Adjudication Centers, provide for remote call monitoring and recording, implement a network-based Interactive Voice Response system.

The final project will be to upgrade our Call Center network platform and application to the next generation. This allows Call Center technology in all Adjudication Centers, improves our ability to manage incoming calls and to better position us to meet increasing customer demand. Feasibility Study Reports and Telecommunication Service Requests (Std. Form 20) for these projects are being submitted for approval at this time.

IV. Adjudication Automation (AA)

Included in this project are desktop tools for the adjudication staff to manage their work more efficiently. These tools include document management and decision logic guides. This will help the Department to meet the desired levels of achievement set by the Department of Labor for adjudication timeliness and quality.

The final component of this system is an integrated scheduling and workload management system that will replace the current locally managed appointment scheduling system. This new system will allow for greater flexibility in statewide management of scheduled UI workload.

Adjudication Automation adds additional operational data to the data repository built as part of the Continued Claims Redesign project and leverages data and functionality from both the CCR and IIC systems. A Feasibility Study Report is being submitted for approval at this time.

V. New Employee Registry (NER) Benefit Crossmatch

This project will match new employee information (currently provided by employers under the requirements of NER) with claim payment information to allow for early detection and prevention of fraud and to reduce the number and amounts of overpayments from unreported work and earnings.

NER Benefit Crossmatch leverages the Adjudications Automation system for the eligibility determination process, the CCR data repository and the client data collected as part of the IIC project. A Feasibility Study Report is being submitted for approval at this time.

VI. Web Content Management Solution

This project allows the UI Branch to publish and manage information on the Department's web site without IT staff intervention and provides the tools and processes for managing and responding to hundreds of customer inquiries received via e-mail that we receive each month. A Feasibility Study Report is being submitted for approval at this time.

Project
Schedules

These planned projects are phased based upon:

- Leveraging on-going projects such those shown below
- Ensuring the availability of enabling technologies being implemented as part of the EASE project discussed above
- Providing the maximum business benefit as early as possible
- Building upon functionality designed for predecessor projects
- Building necessary functionality for successor projects
- Ensuring the availability of EDD program and technical staff during all phases of all projects

The following schedule summarizes the estimated project timeframes from the project approval documents.

Project	Begin	Completed
Continued Claims Redesign	July 2003	November 2006
Internet Initial Claims	July 2003	February 2007
Call Center Upgrade	July 2003	June 2006
Adjudication Automation	January 2005	December 2006
NER Benefit Crossmatch	April 2005	March 2007
Web Content Management	July 2003	December 2004

On-going
Related UI
Automation
Projects

The Department has a number of on-going projects that are interrelated or are predecessors for the projects listed above. They include:

- UI Data Validation – Improvements to the integrity of UI Data and ensures Federal reporting requirements are met.
- Verbal Language Indicator – Improves customer service by indicating the preferred verbal language for the customer.
- Web Based Claim Filing – Provides enhanced tools for customer service staff to improve telephone claim filing processes.
- eApply4UI – Allows customers to submit their UI claim information using a PC.
- Interstate Connection (ICON) Upgrade – Installation of federally provided software upgrade to existing system to allow connectivity with Federal wage data.

Future

I. Single Client Data Base Upgrade

Projects   This multi-year project will analyze the need to upgrade the legacy database system upon which the UI functions operate. This will integrate the needs of the UI program with the Tax and Disability Insurance (DI) Programs. The study is planned to begin after projects I through V (listed above) are underway. A separate Feasibility Study Report will be submitted when this effort can be undertaken.

II. Centralized Print and Mail

This project will provide a new storage, archive and retrieval system for documents that are sent to claimants. This project is dependant upon the successful completion of an effort to replace outdated print technologies currently in use. The system will also have the capability to provide for alternate forms of document delivery (such as e-mail) and allow for the reprinting of documents anywhere in the state that are exactly the same as the original documents which were mailed. This will provide EDD with an Enterprise Document Management system. A separate Feasibility Study Report will be submitted when this effort can be undertaken.

Section 7 of this report explains each of these projects in greater detail. Section 8 of this report is constructed to illustrate the interdependencies of these projects and the total phased implementation approach.

In conclusion, EDD must move to providing access to its services electronically to:

- Satisfy public demand for access to EDD services via the Internet, and the telephone;
- Support state and federal initiatives to employ cross-program partnering to provide the public access to integrated governmental programs and services; and,
- Provide viable solutions to program management so that they can handle increasingly larger and more diverse workload without increasing overall program operational costs

This document describes the detailed plans for moving forward with our modernization efforts.

2.0 INTRODUCTION

The ***UI Modernization Strategy*** describes how California's UI program will meet current challenges and improve the accessibility, efficiency and effectiveness of UI services. This plan presents specific automation projects that will be undertaken between 2002 and 2007, and directly support the program's goals as described in the UI Program Business Plan.

The specific goals are:

<u>Goal One</u>: Improve and expand access to UI services for our customers.

<u>Goal Two</u>: Provide courteous, timely, and accurate services to clients, stakeholders, partners and staff.

<u>Goal Three</u>: Build both staff and system capacity to meet customer service demands.

3.0 PROGRAM DESCRIPTION

3.1 Vision and Mission

VISION

The Unemployment Insurance Branch will provide high-quality unemployment insurance services that exceed customer expectations for access, timeliness and accuracy.

We will accomplish this through effective leadership, knowledgeable and skilled staff, and access to information, tools and technology.

MISSION

The Unemployment Insurance Branch provides unemployment insurance services to California's workers and employers.

Our services sustain economic prosperity in our communities, provide income replacement, and assist in the reemployment of workers.

3.2 Background

For over sixty years the UI Program has been a short-term wage replacement program for unemployed individuals.

The basic UI program components include payment of benefits, funding of benefits, and administration of the program. These components are carried out in a unique, federal-state partnership. The federal government, as part of a national UI program, and the state government, which establishes California's administrative and eligibility requirements, jointly administer the UI program. The program is entirely financed by unemployment tax contributions from employers.

Payment of Benefits

Eligibility for UI benefits requires customers to be able to work, available for work, actively seeking work, and willing to accept suitable employment. Currently, employers cover approximately 14 million California employees for UI benefits.

Funding of Benefits

The UI program is fully funded by states' employer contributions. The Federal Unemployment Tax Act (FUTA) provides the authority for collection of federal and state employer UI payroll taxes based on the amount of wages paid to employees. Both federal and state UI taxes are held in Unemployment Trust Funds at the United States Department of Treasury. These contributions fund both UI benefits and UI administration at the federal and state levels. (Please refer to *Program Funding* section on Page 18 for additional information).

Federal-State Partnership for Program Administration

In the shared federal-state structure, the federal role consists primarily of setting broad program guidelines and overseeing the program administration. Within the federal guidelines, States have broad discretion in setting tax rates, determining benefit levels, and determining eligibility requirements.

3.3 California's Demographics

California is the most populous state in the nation with over 34 million residents. According to the U.S. Census, California will grow by nearly 11 million inhabitants before January 2020. California's descendent populations of Chinese, Filipino, Japanese, Korean, Mexican and Vietnamese individuals are among the largest in the nation.

California's population and language diversity is reflected in its school populations. The California Department of Education (CDE) records 54 languages in use among significant numbers of students. The CDE also reports that more than one in four of the state's 5.6 million school children have limited proficiency in English.

3.4 UI Services

This section describes the UI services that are provided to California's unemployed and how these services are accessed.

Basic UI Services

The basic UI program provides up to 26 weeks of partial wage replacement, and up to a maximum of $330 per week to eligible customers. In October of 2001, Governor Davis signed SB 40 into law (Chapter 409, Statutes of 2001). This legislation provides the first benefits increase in California since 1989. It increases the maximum weekly benefit amount after 2002 as indicated below:

- 2003 - $370
- 2004 - $410
- 2005 - $450

Eligibility for benefits is determined by the following factors:

- Past earnings activity (labor force attachment)
- Conditions of job separation
- Continuing job search activity

Special Assistance Programs

In addition to the basic UI program, many special assistance programs provide UI benefits to eligible unemployed individuals:

California Training Benefits	Provides UI payments to individuals enrolled in state-approved training programs.
Disaster Unemployment Assistance	Provides UI payments to individuals affected by federally declared disasters.
Partial Claims	Provides UI payments to individuals working reduced hours for their usual employer.
Trade Adjustment Assistance	Provides enhanced training and assistance to those individuals whose job loss is attributed to foreign completion or relocation of American business to offshore production.
Work Sharing	Provides benefits to individuals who share work for a reduction of hours and wages in lieu of being laid off.
Extended Benefits	Provides additional weeks of UI payments to individuals who are unemployed during a period the state or federal government has established this program.

Access to Services

UI services are provided primarily by telephone, mail, or by accessing Internet applications. Services are also available to customers who prefer in-person assistance in any of our EDD Job Service (JS) locations, One-Stop Centers, Tax offices, or Disability Insurance (DI) offices that are open to the public. Department representatives are available at these locations to accommodate customers' individual needs.

Bilingual Services

The UI program continues to increase the availability of information and services in a variety of languages representative of California's diverse population. In September 1999, the Department implemented toll-free 800 numbers for English, Spanish, Cantonese, and Vietnamese speaking customers. Written documents are available in multiple languages. A TTY toll-free number is also available for the deaf and hard of hearing.

3.5 Organizational Structure

The Employment Development Department's UI Branch is responsible for the following activities:

- Filing Unemployment Insurance claims, determining eligibility, and paying benefits.
- Analyzing and applying federal and state laws.
- Developing program policy and procedures pursuant to federal and state laws.
- Administrative and oversight functions.
- Planning and development of automation projects.
- Benefit accounting functions for both UI and DI.
- Maintaining the integrity of the UI program and the UI Trust Fund.

Branch Divisions

The UI Branch is comprised of the following four Divisions and one Office:

Unemployment Insurance Division, Central Office (UIDCO)

The UIDCO coordinates the program activities across the Branch, with other Department entities, state agencies, and federal partners. The UIDCO is responsible for the administrative oversight of the UI program including the following activities:

- Development and implementation of policy and procedural changes as a result of legislative changes.
- Design and implementation of automated systems and application enhancements.
- Oversight of the program to ensure UI performance measures are met.

Unemployment Insurance Division Adjudication Centers (UIDAC)

The adjudication centers are responsible for:

- Determining claimant eligibility for benefits in accordance with federal and state laws
- Determining employers' liability for benefit charges.
- Investigating and establishing fraud and non-fraud UI overpayments.
- Recovering inappropriate charges against the UI Trust Fund.
- Conducting pre-appeal reviews and representing the Department at UI Administrative Hearings before the California UI Appeals Board.

Unemployment Insurance Claim Processing Division (UICPD)

The UICPD serves customers through call centers and authorization centers. The call center staff:
- File UI claims
- Provide information to the public

Staff in the two authorization centers:
- Scan claim forms
- Pay UI benefits
- Issue employer rulings

Insurance Accounting Division (IAD)

The IAD is responsible for four primary activities:

- Accounting for UI and DI benefit payments.
- Ensuring the accuracy of the Voluntary Federal Income Tax (VFIT) withholdings from customers' benefit checks and transmitting to the Internal Revenue Service.
- Generating *Report of Taxable Unemployment Compensation Payments* (form 1099G), to recipients of UI benefits.
- Disbursing to California counties UI and DI benefits withheld from non-custodial parents for the Child Support Intercept program.

Intelligent Call Routing System Office (ICRSO)

In partnership with EDD's Information Technology Branch, ICRSO applies call routing software solutions and provides management information services in support of the UI call centers and UIDCO. The ICRSO office is responsible for:

- Ensuring the telecommunication network and call routing system effectively deliver callers to voice response units and agents in order to assist the call centers with their service level goals.
- Improving the Department's network and call center data storage, access, and retrieval capacity to meet the Department's management information needs.
- Developing methodologies and systems for the allocation of budget resources needed for providing UI services.

Staffing

The Employment Development Department is one of the largest state departments in California with approximately 12,000 employees located throughout the state.

The UI Branch employs approximately 3,000 staff with nearly three-quarters of those staff located in Call Centers and Adjudication Centers. All non-managerial employees in the UI Branch are represented by organized labor. These employees are subject to annual collective bargaining agreements that affect the terms and conditions of their employment.

The EDD employs hundreds of bilingual individuals who represent the cultural diversity of the state.

3.6 Technological Advances

As technology advances to provide more sophisticated tools for service delivery, public expectations increase relative to the timeliness and availability of services. California continues to upgrade its service delivery and program support systems as resources become available for program improvements.

The EDD is committed to increasing and providing easy access to its services. In recent years, systems have been implemented that allow customers to certify for weekly benefits by mail and to file UI claims via the telephone. It is no longer necessary for customers to report in person to receive UI services. Technology has helped staff improve service to customers and reduce processing costs. Some recent program improvements are listed below.

Chronology of Program Enhancements Using Technology

1993	Automatically generated bi-weekly forms with scanning technology to "read" them, reducing time and costs to process
1994	Benefit Audit Crossmatch program implemented to perform outreach to non-compliant employers, resulting in improved compliance
1995	Automation of Disaster Unemployment Assistance claim filing and processing to reduce time and costs of processing
1996-1998	Telephone Claim Filing
1996-1997	TTY services to deaf and hard of hearing customers
1996-1997	VFIT, allowed federal income tax withholding for UI Customers
1997	Information Call Centers available statewide
1998	Basic program information and Benefit Determination Guide added to EDD's Internet Website

1999	Toll free 800 number service and Intelligent Call Routing implemented
2001	Personal Identification Number (PIN) implemented to improve security
2001	Internet access to UI initial claim applications for download and mail or fax
2001-2002	PC Rollout – PCs deployed in Primary Call Centers and Adjudication Centers
2002	eApply4UI application allows for submission of initial claim application via the Internet in English and Spanish

The most recent upgrade to personal computers (PCs) from a mainframe computer environment has been completed. PCs enable the Department to collect and display information in a way that simplifies the job duties for UI staff so that they can focus on the customer's needs. The PCs reduce staff training time through applications designed for the desktop. And finally, PCs position EDD to expand its capacity to implement ongoing system enhancements as technology changes.

The PCs are used for mainframe access, personal productivity, and enhanced productivity. The new PC platform includes centralized systems management to reduce on-going support costs, and scalability up to support the production applications contained in this Modernization Strategy.

The Department is continuously seeking system enhancements to the UI program to balance customer demand for multiple ways to access UI services. The Governor's Office for Innovation in Government cites e-Government initiatives that call for a statewide infrastructure that is compatible and allows the sharing of information between systems. The PCs will enable the Department to continue to move forward with e-Government solutions.

Within EDD, successful e-Government will consist of multiple applications leveraging enterprise-wide common processes and platforms, and based on the Department's lines of business of UI and DI, tax collection, job training and employment services.

4.0 BUSINESS ISSUES

Five Key Issue Areas

There are five issue areas that represent the key business challenges facing the UI program. The first is **access and integration of UI services**; providing customers the services they need when and where they need them. The second is the modernization of the UI program **technology and infrastructure** to support modern methods of service delivery. Third is **program quality**; improving timeliness and accuracy of services in order to meet client expectations and federal mandates. The fourth issue area is **staff resources;** finding innovative ways to meet current and future staffing needs. The fifth challenge is **program funding**; the ability to maintain sufficient funding levels to pay benefits and administer the program.

Access/Integration of Services

California's UI customers demand service choices, timely service delivery, and the integration of UI and JS. The EDD is a department with six major program areas that serve California's worker, job seeker, and employer communities. They are the UI, DI, Tax, JS, Labor Market Information, and Workforce Investment Act programs. EDD is challenged to integrate client services and improve access to all reemployment, wage replacement, tax, and training services the department provides. This requires all the program areas to collaborate and plan a strategy for integrated service delivery. The programs often share the same customers, yet provide services independently and often from different service access points.

For UI customers, expanded access options include Internet claim filing, telephonic weekly claim filing and direct deposit of their benefit payments. Another important issue is the access of UI services by individuals with special needs. The UI program plans to expand efforts to address the special needs of those with limited proficiency in English, hearing impairments, and other disabilities.

Technology/Infrastructure

The UI program is over 60 years old. Most state programs began using automation in their service delivery systems about 30 years ago. California's UI program operates in a 30 year-old mainframe environment. A substantial investment has been made over the years in this legacy system, both in terms of the initial system development and the maintenance and operations activities needed to keep the system running.

As funding becomes available, incremental steps are being taken to upgrade the system and build needed functionality. For example, the recent conversion to personal computers, and the infrastructure upgrades linking all locations through technology, has provided employees the basic tools to communicate effectively between geographically dispersed locations. The front-end upgrades have also provided the ability to add web-based functionality and increase client accessibility to UI services through the Internet.

Program Quality

For many years, California has been experiencing difficulties meeting Federal performance measures for timeliness and quality. As technology is introduced that can assist in evaluating current delivery systems, program quality should improve. This will be useful in targeting program areas where performance problems have persisted for several years. Many of the current applications rely on staff to key enter information provided by the client. This is an error prone system.

Another area of program quality is program integrity. Reducing UI fraud and abuse is a priority and will benefit by the introduction of technological improvements.

Staff Resources

Maintaining sufficient staffing levels to meet workload demands has been a constant challenge for the UI program. Government is just learning what the private sector has known for many years about staffing practices: successfully operating in the Information Age requires businesses to acknowledge new workforce realities and rethink their approach to recruitment, hiring, and maintaining their workforce. Knowing this, the challenge for government is to do this within the constraints of a civil service process that is badly in need of modernization.

While working to influence the larger issues of reform in government, UI program managers and staff can begin improvements to internal Human Resource practices and processes. Streamlining training practices, for example, may shorten the time it takes to prepare a new hire to competently answer calls and file UI claims.

Program Funding

The states share widespread concern that monies allocated to them from the federal Employment Security Administration Account are insufficient to properly fund the program. The amount of federal UI funding has declined over the years. As a result, there has been a movement by UI stakeholders (i.e., the State Employment Security Agencies, DOL, National Association of State Workforce Agencies-NASWA, employer and claimant associations, etc.) to legislatively reform the federal administrative financing. Over the last 40 years numerous proposals have been drafted that address this issue. The proposals are intended to ensure that the states receive adequate funding to operate their UI and JS programs.

5.0 PROGRAM INITIATIVES

The operational business challenges and issues discussed above are addressed in a number of Goals, Objectives, and Initiatives. The UI Branch business plan has three goals, ten objectives and 53 initiatives. The UI Modernization Strategy has been developed to address all of the goals, six of the objectives and 20 of the initiatives. Those goals, objectives and initiatives are listed in the table below.

NOTE: The Initiatives listed in **Bold** type are the projects for which Feasibility Study Reports or purchase justifications are being submitted immediately.

Goal 1: Improve and expand access to UI service for our customers.	
Objective	**Initiatives**
Improve and expand accessibility of UI claim filing	• **Internet Initial Claims** • **Call Center Expansion** • **Web Content Management Solution** • **Adjudication Automation** • **Call Center Network Platform and Application Upgrade** • Network Interactive Voice Response • Web Based Claim Filing • ICON • eApply4UI
Improve and expand benefit certification and payment services	• **Continued Claims Redesign** • **Web Content Management Solution** • **Adjudications Automation** • **Call Center Network Platform and Application Upgrade** • Network Interactive Voice Response
Provide more effective and timely access to UI information for all customers, internal and external	• **Adjudication Automation** • **Call Center Network Platform and Application Upgrade** • **Web Content Management Solution** • **Internet Initial Claims** • Network Interactive Voice Response
Improve access to UI services for groups with special needs	• **Internet Initial Claims** • **Continued Claims Redesign** • **Call Center Network Platform and Application Upgrade** • Verbal Language Indicator

<table>
<tr><td colspan="2">**Goal 2: Provide courteous, timely, and accurate services to customers, stakeholders, partners and staff.**</td></tr>
<tr><td>**Objective**</td><td>**Projects**</td></tr>
<tr><td>Provide accurate, quality UI services</td><td>
- **Adjudication Automation**
- **Web Content Management Solution**
- **UI Remote Call Monitoring and Recording**
- Centralized Print and Mail
- Network Interactive Voice Response
</td></tr>
<tr><td colspan="2">**Goal 3: Build both staff and system capacity to meet customer service demands.**</td></tr>
<tr><td>**Objective**</td><td>**Projects**</td></tr>
<tr><td>Improve program integrity to reduce cost and risk</td><td>
- **Internet Initial Claims**
- **New Employee Registry Benefit Cross Match**
- **Internet Initial Claims**
- ICON
- SCDB Redesign
</td></tr>
<tr><td>Improve system infrastructure</td><td>
- **Call Center Network Platform and Application Upgrade**
- **Continued Claims Redesign**
- **Web Content Management Solution**
- **Adjudications Automation**
- UI Data Validation
- Single Client Data Base Redesign
- Network Interactive Voice Response
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6.0 UI MODERNIZATION STRATEGY

Background

The UI Modernization Strategy identifies the most effective approach by which automation projects are to be initiated, phased, and completed. It also determines best approaches for combining projects into logical groupings.

The EDD's primary goal is to convert from a department-centric mode of operation to a customer-centric operation that will better meet customer demands and improve customer satisfaction while providing the most efficient operations possible. The key objectives to the expanded access vision include:

- Providing desired information and transactions through a fast, secure delivery system.
- Allowing the customer to locate and obtain needed services and information in an easy and convenient manner.
- Developing customer-centric applications and systems that will enable the customers to access services without staff intervention.
- Providing easy access to staff when intervention is required.
- Identifying additional opportunities for operational efficiencies.
- Providing information and/or services valued by customers.
- Building systems with reusable components that can be leveraged across the enterprise.

Core to this approach, EDD strives to improve the UI services and enhance the UI service delivery system to provide customers multiple access points to services.   The following tables list the proposed projects, on-going projects and future projects. Following the tables is a chart that identifies the primary areas on which the UI Modernization Strategy will focus efforts to improve the UI service delivery system.

Complete descriptions of these projects, including project dependencies and interrelationships, and benefits both the customer and the program, are included in Section 7 of this Strategy. The functional dependencies and the proposed project timelines are in Section 8.

Proposed Projects

PROJECT *Phase*	DESCRIPTION
CONTINUED CLAIMS REDESIGN	*One project* *Five integrated components*
Telephone Continued Claims Certification	• Provides customers with the option to certify for UI benefits using the telephone. • Accommodates multiple languages.
Payment Program Redesign	• Provides an environment where changes may be rapidly and accurately implemented. • Replaces antiquated high-risk systems currently in use • Enables the Department to capture and report more accurate program information.
Internet Continued Claims Certification	• Provides customers with the option to certify for UI benefits over the Internet. • Accommodates multiple languages.
Direct Deposit	• Provides customers with the option to have UI payments routed to a bank account. • Reduces the number of lost and stolen checks.
Claims Activity Data Collection	• Captures, stores and maintains data for the claims payment process • Build a foundation database for future automation projects to better position the Department to prepare standard and ad-hoc reports on UI claims and payments. • Enables EDD to respond promptly and accurately to the Governor, Legislature and the Department of Labor
INTERNET INITIAL CLAIMS	*One project* *Two integrated components*
Internet Initial Claims	• Provides customers with the option to file a claim over the Internet, and receive relevant claim information, using a PC. • Accommodates multiple languages. • Creates a single registry of customer information. • Protects the UI fund by providing additional tools to reduce fraud.
Internet Information	• Provides customers with option to receive general and specific claim information from the Internet. • Reduces demand on call centers for claim and payment related inquiries

Proposed Projects (continued)

PROJECT *Phase*	DESCRIPTION
CALL CENTER UPGRADES	*Four projects*
Call Center Expansion	• Converts four Adjudication Centers to Multifunctional Centers. • Allows UI determinations staff to receive incoming UI claims-filing and information calls during peak workload periods.
UI Remote Call Monitoring and Recording	• Enables supervisors to monitor and record calls for improving agent training and providing better customer service.
Network Interactive Voice Response *(NOTE: This project is being internally funded.)*	• Improves IVR system capacity and efficiency, and customer quality of service. • Eliminates Custom Busy Messages, "take back and transfer" of calls and their associated costs. • Reduces the staff time required to make changes to the IVR
Call Center Network Platform and Application Upgrade	• Replaces aging telecommunications network system. • Upgrades/Replaces application software and connectivity on current call center platform. • Adds four remaining Adjudication Centers to call center platform.
ADJUDICATIONS AUTOMATION	*One project* *Two integrated components*
Adjudication Redesign	• Provides staff with on-line tools and on-line access to customer documents. • Improves quality of determinations by prompting staff throughout determination process.
Scheduling Workload and Information Management	• Allows for customers to self-schedule interview appointments. • Creates a manageable scheduling system taking into account collective bargaining agreements.
NEW EMPLOYEE REGISTRY BENEFIT CROSS MATCH	*One project* *Phasing to be determined during solution design phase*
	• Compares new employee hire data provided by employers to UI benefits paid to customers. • Provides an early intervention to identify and resolve potential overpayment issues and detect fraud.
WEB CONTENT MANAGEMENT SOLUTION	*One project* *Phasing to be determined during solution design phase*
	• Reduces the time to handle customer e-mail messages. • Provides a fast and consistent response to e-mail inquiries. • Allows UI Branch better control over publishing and

| | management of web page content |
| | • Builds the infrastructure for translations of the Internet pages |

On-Going Projects

PROJECT	DESCRIPTION
UI Data Validation	• Ensures federal reporting requirements are met. • Improves integrity of reporting and ensures proper reimbursement for UI claims actions.
Verbal Language Indicator	• Increases customer service by identifying the preferred verbal language of our customers.
Web Based Claim Filing	• Provides call-center staff enhanced claims filing tools with a standard MS Windows environment. • Enables staff to correctly file and capture claimant information.
eApply4UI	• Provides customers with the option to submit claim information via the Internet, in both English and Spanish. • Provides capacity for future Internet applications.
ICON	• Provides connectivity with Federal wage databases. • Ensures faster funding for special claims. • Allows EDD to meet federal requirements.

Future Projects

PROJECT	DESCRIPTION
Centralized Print and Mail	• Supports e-Government initiatives to electronically deliver and view documents or their variable content. • Improves legibility of UI documents. • Provides an enterprise image archive.
SCDB Redesign	• Creates a modern claim management database structure. • Enhances the ability to capture, maintain, and create reports on UI data.

Working with the IT Enterprise Business Architecture Plan, EDD has developed a model for future UI program access. Using the "Incoming Services Gateway" as well as the "Outgoing Services Gateway," we plan to maximize the opportunity to establish shared and reusable IT services as well as shared technology/software components.

The following chart provides a high-level view of how the automation can improve customer access to Department services, and flexibility in the delivery of payments.

Future UI Program Access Methods (Example)

Future UI Program Access Methods For Claim Filing and Payments Technology Infrastructure, and Functionality
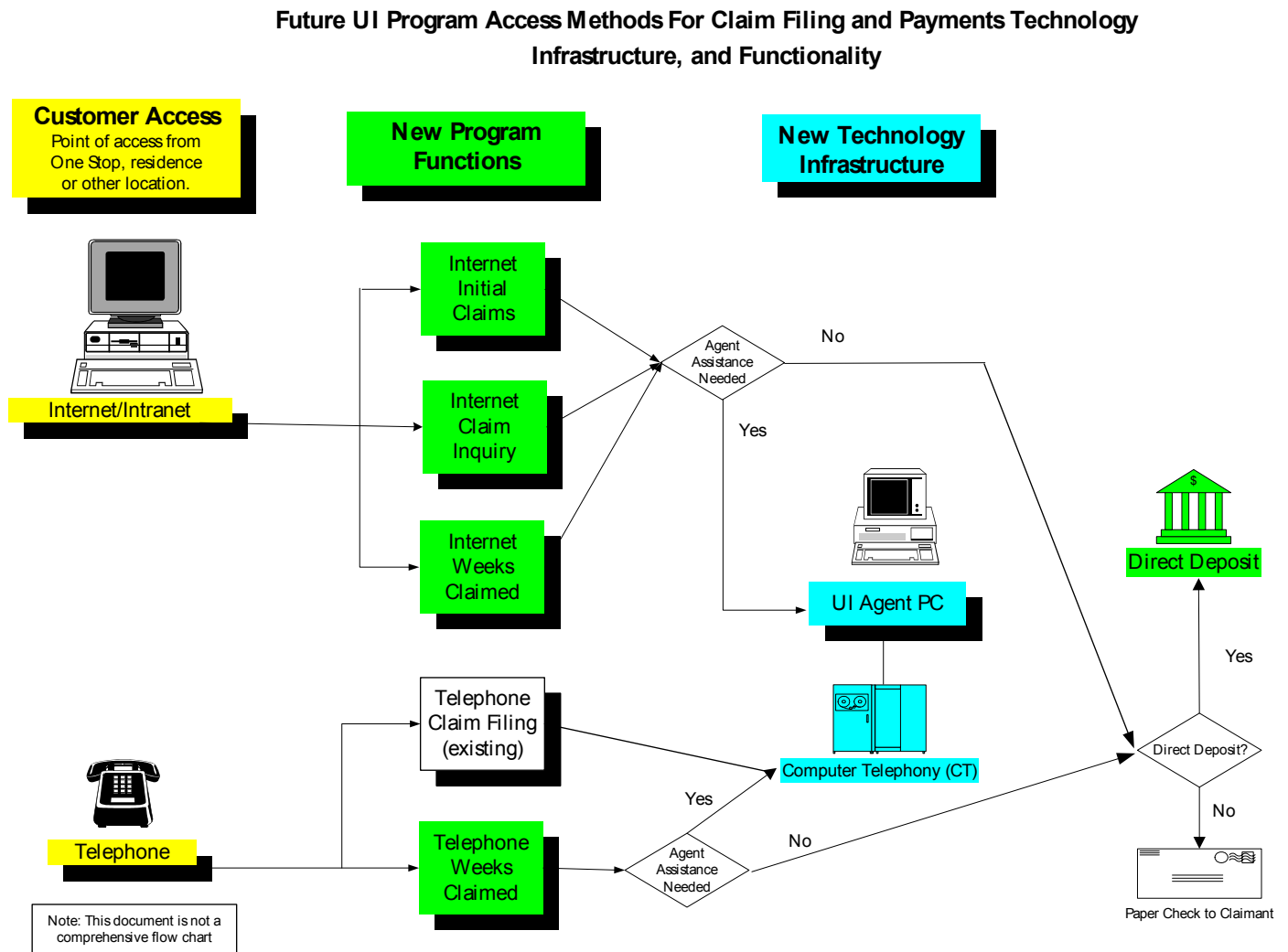
7.0 DETAILED DESCRIPTIONS OF UI PROJECTS

This section discusses each of the projects in detail. With the exception of 7.3.3 (Network Interactive Voice Response), an internally-funded project, the approval documents for the planned projects described in 7.1 through 7.6 are being submitted concurrent with this plan. Relationships to and dependencies between these projects and project components are shown in **italics and bold** in the sections below. Projects described in 7.7 through 7.11 are projects that are currently in progress. Projects described in 7.12 and 7.13 are future projects for which Feasibility Study Reports will be submitted when work on other predecessor projects is underway.

7.1 Continued Claims Redesign Project

Currently, customers must certify for UI benefits through a mail process. Customers submit a written certification every two weeks, which is "read" by a Department scanner. If the answers on the written certification are complete and do not raise eligibility issues, benefit payments are approved and sent to the customers through the mail. If eligibility issues are raised by the certification, the claim forms are routed to an exception list for review and either clarification or determination interview scheduling. Incomplete claim forms are reissued to the claimant and must be completed and resubmitted through the scanning process.

The Continued Claims Redesign is a multi-faceted project that will provide alternate ways to certify for benefits via the telephone and the Internet, as well as provide customers the opportunity to have their check directly deposited in their bank account. The project also includes a redesign of 30-year-old payment processing and check printing programs that are difficult to maintain and present a high degree of risk to the UI program, and claim activity data collection which will improve the Department's ability to report on it's activities.

7.1.1 Telephone Continued Claims Certification Component

Component Description
This component will allow customers to choose to certify for benefits by using a toll-free number, which will be available in multiple languages. Customers will be able to answer the claim filing questions either by using the keypad on their telephone or using a voice activated system. The answers will be recorded and fed into the payment processing system. Customers unable to complete the process by themselves will be given options for contacting an agent to help with the process. During normal work hours, customers with out-of-pattern answers can be connected to an agent.

Dependencies
- ***Call Center Network Platform and Application Upgrade***
- ***Internet Initial Claims***
- ***Scheduling, Workload and Information Management***
- Verbal Language Indicator

Related Projects/Components
- ***Internet Continued Claims Certification***
- ***Direct Deposit***
- ***Adjudication Automation***
- SCDB Redesign

Performance Improvement/Benefits
This component will:
- Improve customer access to Department's services
- Enhance efficiency by allowing for electronic distribution of workload
- Reduce claimant errors
- Improve the Department's statistical measures of payment timeliness
- Reduce the staff time needed to review errors, make clarifications, and schedule determinations
- Allow customers to certify in the language in which they are proficient

Customer Service Improvements
This component will:
- Provide more language options
- Provide an alternate means of certifying for benefits
- Decrease the time to receive payment

7.1.2 Payment Program Redesign Component

Component Description
This component will replace the existing programs that receive certification records, process exception cases, calculate payment amounts, determine appropriate deductions, and create UI check files. The existing systems are old, inflexible and difficult to maintain, creating a high degree of risk for the UI program. The new programs will allow for input of payment authorizations from multiple sources, including direct key entry by staff, Internet certification, telephone certifications and scanned claim forms.

Dependencies
None

Related Projects/Components
- ***Internet Continued Claims Certification***
- ***Direct Deposit***
- ***Telephone Continued Claims Certification***
- SCDB Redesign

Performance Improvement / Benefits
This component will:
- Build a system that is easier to maintain
- Create a flexible infrastructure for payments to accommodate future certification methods and new programs
- Be simpler to use and require less staff training
- Reduce the risk associated with the current system

Customer Service Improvements
This component will:
- Ensure the Department's continued ability to issue correct and timely payments

7.1.3 Internet Continued Claims Certification Component

Component Description
This component allows customers to certify for benefits using an Internet application. The claimant can access the application from any PC. Their answers will be stored and fed into the payment processing system. Customers unable to complete the process by themselves will be given options for contacting an agent to help with the process. Customers with out-of-pattern answers or other payment barriers can be connected to an agent or self-select an adjudication appointment.

Dependencies
- **Call Center Network Platform and Application Upgrade**
- **Internet Initial Claims**
- **Scheduling, Workload and Information Management**
- Verbal Language Indicator

Related Projects/Components
- **Telephone Continued Claims Certification**
- **Payment Programs Redesign**
- **Direct Deposit**
- **Adjudication Automation**
- SCDB Redesign

Performance Improvement/Benefits
This component will:
- Improve customer access to Department's services
- Enhance efficiency by allowing for electronic distribution of workload
- Reduce claimant errors
- Improve the Department's statistical measures of payment timeliness
- Reduce the staff time needed to review errors, make clarifications, and schedule determinations
- Allow customers to certify in the language in which they are proficient

Customer Service Improvements
This component will:
- Provide more language options to customers
- Provide an alternate means of certifying for benefits
- Decrease the time to receive payment

7.1.4 Direct Deposit Component

Component Description
This component allows benefits to be directly deposited into the claimant's bank account. Claimant wishing to participate in this program will be asked to provide a bank routing number and their payment will be automatically routed to their bank.

Dependencies
- **Internet Initial Claims**

Related Projects/Components
- **Telephone Continued Claims Certification**
- **Internet Continued Claims Certification**
- **Call Center Network Platform and Application Upgrade**
- **Payment Program Redesign**
- SCDB Redesign

Performance Improvement Benefits
This component will:
- Reduce check processing time
- Reduce the number of lost and stolen checks
- Reduce the staff time needed to process lost or stolen check requests
- Reduce mailing and printing costs of checks and forms

Customer Service Improvements
This component will:
- Improve the processing time for payments
- Increase options available to customers

7.1.5. Claims Activity Data Collection Component

Component Description
Currently, the Department maintains operational UI data on the SCDB. Mandated reporting is accomplished using difficult-to-maintain systems and transaction files. These antiquated methods of managing data leave the Department with limited means for ad-hoc reporting and require time consuming programming changes to modify reports as systems change. The inability to do ad-hoc reporting prevents us from providing timely answers to requests for data and information from the Governor's office, the control agencies and the Director's office. Of particular concern is EDD's inability to properly analyze the potential effects of new legislation on workload, staffing and the UI trust fund.

As part of the first UI Modernization project, UI Branch will begin to capture, store, and maintain relevant data for the UI benefit certification and payment process. This will make possible an integrated view of UI benefit and payment information, will aid in the development of the aforementioned reports and will also enhance our capability to prevent and detect fraud and improve services to UI claimants.

As the other UI Branch Modernization projects are developed, data from these processes will be added to the database. As this data is added, needed changes to the mandatory daily, monthly and quarterly reports, identified in the UI Data Validation project, can be efficiently deployed. In addition, the Department will be positioned to use program data to be even more responsive to the changing needs of our customers.

Dependencies
- ***Payment Program Redesign***

Related Projects/Components
- ***Related to all Proposed and On-going projects***

Performance Improvements/Benefits
This component will:
- Provide the ability for ad hoc reporting of benefit and payment information.
- Establish a new integrated data collection strategy that will be used by all UI Branch modernization projects.
- Provide a more efficient method to change and update reports.

Customer Service Improvements
This component will:
- Provide data that can be used to improve services to our customers.
- Provide accurate and prompt ad-hoc reports for the Governor, the Legislature, Department of Labor and control agencies.

7.2 Internet Initial Claims Project

This set of projects builds the capacity to implement robust self-service applications available for EDD's UI customers. The project includes the ability for UI customers to file initial claims via the Internet, the ability to receive information and to provide updated information to EDD via the Internet, and improves EDD's ability to collect and track identifying information.

7.2.1 Internet Initial Claims Component

Component Description
This component will allow customers to file for benefits over the Internet. An interactive Internet application will replace the current eApply4UI application that only allows data to be transmitted to EDD. Customers will be able to access claim information and receive documents electronically instead of by mail. The system will be able to complete the claim filing process without staff intervention. Customers unable to complete the process by themselves will be given options for contacting an agent for help with the process. Customers needing a determination appointment will be given the opportunity to self-select their appointment. Customers needing to register with CalJOBS will be linked to that system.

Internet Initial Claims will leverage programming and interface developments that are being created for the Web Based Claim Filing (WBCF) project. The WBCF project is building enhanced claim filing tools that facilitate the claim filing function for UI staff.

Using data collected through WBCF, there will be a centralized database for all claimant specific information. This will allow EDD to collect multiple addresses from one claimant such as mailing, e-mail, residence and bank routing addresses. The data fields for the mailing address will be expanded to meet US Postal Service requirements. This will be the repository of demographic information on customers, as well as multiple telephone numbers. This database will be updated from a single application and will keep track of all changes to the data. Eventually all forms and reports will get their address information from this one source.

Letters will be sent to customers when they change their address to verify that the address change was valid.

Dependencies
- **Scheduling, Workload and Information Management**
- Web Based Claim Filing

Related Projects/Components
- **Adjudication Automation**
- **Payment Process Redesign**
- **Internet Continued Claim Certification**
- **Direct Deposit**

- ICON

Performance Improvement/Benefits
This component will:
- Reduce EDD staff time required to file claims submitted via the Internet
- Reduce the errors associated with manual key entry of information
- Identify fraud more easily
- Provide multiple means for reaching customers
- Ensure the Department mail meets USPS address standards
- Provide the ability to meet DOL reporting standards
- Provides the ability to report on residence address
- Provides the ability to correspond using methods other than the telephone or USPS

Customer Service Improvements
This component will:
- Expand access to Department services.
- Provide services to customers in his/her preferred written language.
- Provide customers with immediate information on the claim calculation
- Improve the quality of claim information provided to internal and external customers.
- Reduce wait time in the claim filing process
- Notify the claimant when any change is made to their address
- Record and store multiple address types and formats
- Allow for the Direct Deposit of UI Benefit payments

7.2.2 Internet Information Component

Component Description
This component will move functions currently available only in the telephone IVR process to the Internet and expand the types of information available to the claimant in self-service mode. Customers will be able to obtain specific information on their last benefit payment and on scheduled determination appointments. Customers will be able to reschedule their appointments, and change their address and phone number. In addition, all the Internet pages for UI will be translated into Spanish.

Project Dependencies
None

Related Projects/Components
- *Internet Continued Claim Certification*
- *Internet Initial Claims*
- *Adjudications Automation / Scheduling Workload and Information Management*

Performance Improvement/Benefits
This component will:
- Allow customers self service information freeing EDD staff to spend their time serving customers who need more assistance
- Reduce time needed to serve customers who are able to serve themselves

Customer Service Improvement
This component will:
- Provide another means for customers to access information about their claim
- Provide information about the UI program on the Internet in Spanish
- Eliminate telephone queue wait time for individuals who request services which they are able to obtain on line

7.3 Call Center Upgrade Projects

The UI program operates with 6 call centers located throughout the state. Callers to these call centers receive a variety of services. Several published toll-free EDD 800 numbers connect directly to an Interactive Voice Response unit (IVR) that provides general information about UI and JS in English and Spanish, as well as allow customers to find out the status of their UI benefit check. In addition, the IVR provides the means for the caller to reach an EDD representative in any one of the six centers. Incoming calls are routed through a "DMS 100" switch, located at the local telephone company facility.

Prior to implementation of Intelligent Call Routing (ICR), each of the Call Centers functioned independently, with each center supported by two IVRs for its regional call workload. With the implementation of ICR all six Call Centers are now linked and calls can be routed to the best location statewide. However, the original IVR design was retained, so that there are still 12 individual IVRs through which calls flow to the automated menu. Once in the menu, if a caller requests to speak to an agent, the call is sent to the call center with the shortest possible wait before the call is answered. If the center with the shortest wait time is not the center located nearest to the IVR that handled the call originally, the 800 carrier takes back the call and transfers it to another call center to handle the call. This "take back and transfer" process increases costs for each call handled in this way.

Currently all six UI Call Centers are linked, but still function independently. Each Call Center has 10 Automatic Call Distribution (ACD) groups, to which calls are routed by the Network Carrier, based on routing instructions from the Intelligent Call Router (ICR), which obtains information about each site from Central-Office- based DMS 100 switches. The ICR calculates which of the 60 ACD skill groups to send the call to, comparing agent availability and expected wait time in each skill group. The Automated Call Distributor places the call in queue, and routes each call to an agent. Once the call is in the ACD, it remains there until it is answered or the caller hangs up ("abandoned.")

All three components of the current call-routing platform, the network telephone system, the local telephone system and ACD, and the ICR, are provided and maintained by different vendors, and have their own independent Management Information Systems (MIS).

On Monday of each week between 23% and 33% of the total calls for the week are attempted. High numbers of callers are sent to a custom busy message and do not reach the IVR. Of the callers who do reach the IVR and request to speak to an agent, a high number are deflected (asked to call back later) on Mondays and during other peak periods, as there are not enough agents to handle all calls in a timely manner. Once a caller does reach a call center employee, the caller is asked to state their social security number (SSN), which the EDD representative manually enters to access the caller's wage or payment history. The representative is unable to begin the claim-filing process or to provide information to the caller about their claim without the SSN.

The Call Center Upgrade effort consists of projects that address problems inherent in the current call center structure. These components are described in detail below.

7.3.1 Call Center Expansion Project

Project Description
This project converts the four Primary Adjudication Centers (PACs) located in geographical areas served by DMS 100 switches to receive incoming calls from the UI 800 network. This will enable Adjudications staff to handle inbound UI claim-filing and information calls during peak call demand periods.

Project Dependencies
None

Related Projects/Components
- ***UI Remote Call Monitoring and Recording***
- ***Web Content Management Solution***
- Network Interactive Voice Response

Performance Improvement/Benefits
This project will:
- Improve customer access by more closely matching staffing to workload demand
- Reduce the number of caller redials and the toll charges associated with multiple calls from the same customer
- Reduce the amount of time callers spend in queue waiting to be served
- Reduce the 800 number toll charges that accrue while callers are in queue
- Provide PAC staff the opportunity for work diversity

Customer Service Improvement
This project will:
- Help more customers reach an EDD agent on the first attempt
- Decrease customer wait in queue, even on peak-demand days

7.3.2 UI Remote Call Monitoring and Recording

Project Description
This project will enable supervisors to monitor their staff's phone calls and associated transaction screens in real time, or evaluate recorded calls and associated screens at a later time for agent training purposes and customer service improvement. Project would include all UI Call Centers and PACs.

Currently, UI Call Center supervisors can only observe agent behavior by sitting with the agent, or plugging in a headset at the agent's desk, in order to simultaneously listen to the caller and the agent. Both procedures may cause the agent to temporarily change his/her behavior. In order to evaluate staff training needs, the supervisor must be able to observe normal agent behavior as well as to determine if the related agent data entries were appropriate.

Project Dependencies
None

Related Projects/Components
- **Call Center Network Platform and Application Upgrade**
- **Call Center Expansion**

Performance Improvement/Benefits
This project will:
- Ensure training needs are recognized and met
- Allow call reviews to be conducted without having to sit next to the employee
- Simplify the review process for managers and supervisors

Customer Service Improvement
This project will:
- Improve the quality of customer contacts
- Improve the information provided to customers
- Improve the quality of claim filing and adjudication processes

7.3.3 Network Interactive Voice Response

Project Description
This project will upgrade the current IVR platform, replacing the existing 12 IVRs with one "Network IVR" to allow unlimited access to EDD's automated menu of UI services. The EDD has determined that this project can be funded via internal redirection.

Project Dependencies
None

Related Projects/Components
- **Call Center Expansion**
- **Call Center Network Platform and Application Upgrade**

Performance Improvement/Benefits
The project will:
- Eliminate Custom Busy Messages and "take back and transfer" calls, and associated costs
- Reduce the staff time now required to make changes to the IVR

Customer Service Improvements
The project will:
- Ensure that customers are always able to access the IVR to obtain recorded information about UI, JS, and their most recent UI benefit payments
- Ensure that all IVR recordings are clear and accurate
- Prevent customers from receiving busy signals

7.3.4 Call Center Network Platform and Application Upgrade

Project Description
This project will replace the current call handling platform with an integrated solution based on more modern call center management technologies and adds four Adjudication Centers to receive inbound calls. The project will provide these additional enhancements:

- Network Queue
- Computer Telephony Integration
- Skills-Based Routing to Agent Level
- End-to-End Call Detail Data
- Single MIS for Call, Agent, and Call Detail Data

This project will:
- Remove the redundant ACD groups now required at each Call Center, creating a smaller number of statewide ACD groups rather than sixty local groups. This will make call routing more efficient and more accurate
- Allow EDD to convert the last four Adjudication Centers to Incoming Call Centers
- Replace ACD-based routing with "Skills-based" routing, allowing more flexibility and efficiency in how agents are used
- Permit EDD to trace any call back to the agent who answered it, by providing Call Detail information, which includes the caller's telephone number, time of call, destination, and duration of call. This will enable the Department to better investigate complaints and maintain quality control as well as provide for trend analysis so more information is available to make system and process improvements
- Allow EDD to utilize Computer Telephony Integration, which will display the caller's account at the same time the call is presented to the Call Center agent, eliminating the time agents now spend requesting and entering the account number
- Enable EDD to combine several Call Center Information Systems into one statewide database

Project Dependencies
- **Call Center Expansion**
- Network Interactive Voice Response

Related Projects/Components
- **UI Remote Call Monitoring and Recording**

Performance Improvement/Benefits
Network Queue, Skills-Based Routing, Adjudication Center Conversion Components:
- Improves call-routing efficiency
- Increases the number of staff available to handle incoming calls during peak workload periods
- Improves the use of staff skills

Computer Telephony Integration (CTI) Component:

Provides the infrastructure to:
- Reduce call handle-time and agent data entry errors
- Reduce Average Handle Time (AHT), which also reduces toll charges
- Eliminate wasted staff time when callers do not have the information required to complete claim filing
- Allow agents to answer more calls
- Reduce the number of agents required to handle the peak work-days

Call Detail Data, Single MIS Components:
- Improves quality control, by providing a means to investigate customer complaints
- Provides a statewide platform to obtain aggregate as well as individual agent data, and more easily compile Call Center data
- Provides data to use for trend analysis to improve systems and processes

Customer Service Improvements

Network Queue, Skills-Based Routing, Adjudication Centers Conversion Components:
- Ensures that customer calls are routed to agents with the skills to handle them, and are answered in the shortest time possible
- Reduces customer wait time in queue

Call Detail Data, Single MIS Components:
- Ensures that customer complaints regarding individual agents can be investigated, and remedial action immediately taken

CTI Component:
Provides the infrastructure to:
- Minimize the time customers spend waiting for their call to be answered and talking to an agent
- Reduce data entry errors by agents

7.4 Adjudication Automation

The Adjudication Automation project consists of two parts: a tool to redesign the workflow for and provide improved tools for the adjudication process, including an improved scheduling workload and information management system.

7.4.1 Adjudication Redesign

Component Description
Adjudication Redesign will provide user-friendly, software application tools for staff that perform UI eligibility determinations. This will enhance the quality of the completed determinations and reduce the time it takes to complete these determinations. An additional benefit will be to reduce staff training time. The application tools will provide staff with easy-to-access fact-finding materials and documents.

Additionally, these tools will:

- Provide department representatives with built-in intuitive logic functions that prompt them to collect the appropriate information to assist them in making the correct eligibility determinations in accordance with federal and state laws

- Provide on-line storage, access, and retrieval of all customer documents and results of prior decisions. Eliminate need for staff to physically retrieve documents from the office location where documents are stored, (e.g., review functions could be completed without reviewers having to travel to offices)

- Provide Department representatives with the edit capability to document their fact-finding results on-line

- Assist Department representatives in completing quality and timely determinations that will result in proper and timely UI payments to individuals, thereby reducing the number and amounts of improper payments and denials issued to individuals, in accordance with federal and state laws

Project Dependencies
- *Client Registry*
- Verbal Language Indicator
- Centralized Print and Mail

Related Projects/Components
- *Scheduling, Workload and Information Management*
- *Telephone Continued Claims Certification*
- *Internet Continued Claims Certification*
- *NER Benefit Crossmatch*
- SCDB Redesign

Performance Improvement/Benefits
This component will improve performance by:
- Providing staff with enhanced on-line tools
- Providing staff with on-line customer documents
- Providing logic to help the staff make the correct and timely decision
- Providing tools to store, edit and correct documents on-line

The benefits of this component are:
- Improving the Department's ability to meet DOL determinations quality and timeliness measures
- Improving the Department's ability to meet DOL benefit payment timeliness measures
- Providing on-line storage and retrieval of documentation

Customer Service Improvement
Adjudication Redesign will improve customer service by:
- Improved quality of decisions
- Improved readability of documents
- Decreased time to make decisions

7.4.2 Scheduling, Workload and Information Management System

Component Description
The proposed Scheduling, Workload and Information Management System will provide a tool to manage and distribute appointments statewide. It will provide staff and customers real time access to view and select available appointments.

Appointments will be created and assigned based on staff capabilities including skill levels, work schedule and language capabilities. This will allow statewide distribution of work to maximize the use of staff resources regardless of location.

Staff and customers will be able to select new appointments, view and/or reschedule previously scheduled appointments.

The system will provide the EDD with the ability to track the appointments created, changed, and cancelled and provide information on the types of issues and appointments handled over time.

Project Dependencies
- **Client Registry**
- Verbal Language Indicator

Related Projects/Components
- ***Telephone Continued Claims Certification***
- ***Internet Continued Claims Certification***
- ***Internet Initial Claims***
- ***Adjudication Redesign***
- SCDB Redesign
- Centralized Print and Mail

Performance Improvement/Benefits
Performance will be improved by:
- Allowing staff and customers real time access to appointments
- Creating schedules based on staff skills
- Creating schedules on a state-wide basis
- Creating schedules based on collective bargaining agreements
- Allow for future needs for different types of interview appointments

Customer Service Improvement
The new system will benefit customers by:
- Allowing customers to self-select and reschedule appointments
- Allowing customers to schedule/reschedule appointments anytime
- Routing appointments to the staff trained for the issue involved
- Ensuring that interviews are conducted timely and decisions are correct

7.5 New Employee Registry (NER) Benefit Crossmatch

Project Description

Currently, California employers are required to report a Start-of-Work-Date for each new employee within 20 days of hire. This data is compiled into a daily file used by the Department of Child Support Services to assist in their collection activities. This project will compare that file with the weekly claim payment/activity records to identify customers receiving benefits after returning to work. If there is an identified match, a letter will be sent to the employer to validate the NER data and to request wage and eligibility information. When employer letters are returned, they will be tracked for compliance and analyzed for potential overpayments or fraud. If there is a discrepancy between information reported by the employer and the claimant, the claimant will be scheduled for an eligibility interview. Claimants and employers will be notified by mail regarding the interview. Upon completion of the interview a determination will be made and benefit payments will be resumed and/or the appropriate notices will be generated. EDD currently operates a Benefit Audit Crossmatch with employers' quarterly wage reports. Employers who respond to the NER verification letter will not receive a benefit audit for that same employee for the corresponding quarter.

Dependencies
- ***Adjudications Automation / Scheduling, Workload and Information Management System***
- Web Based Claim Filing
- Verbal Language Indicator
- Centralized Print and Mail

Related Projects/Components
- ***Payment Process Redesign***
- ***Internet Continued Claims Certification***
- ***Telephone Continued Claims Certification***

Performance Improvement/Benefits
Performance will be improved by:
- Providing early intervention to identify and resolve potential overpayment incidents
- Protecting the UI fund and reducing the amounts of overpayments through early detection and intervention
- Providing customers notification of interviews and eligibility
- Providing for the development of the improved graphic quality of claimant notices
- Integrating NER data with other UI processes

Customer Service Improvements
New Employee Registry will benefit customers by:
- Increasing the accuracy of the overpayment process
- Identifying and resolving overpayments earlier

7.6 Web Content Management Solution Project

Project Description
This project enables the Department to move it's Internet presence from a department-centric mode of operation to a customer-centric model that will better meet customer demands and improve satisfaction while providing the most efficient operations possible. It provides tools and processes to respond more efficiently to customer e-mail inquiries.

The project offers the following improvements:
- Provide information and/or services valued by customers
- Develop web-based systems to enable customers to access services without EDD staff intervention
- Develop processes that enable business units to provide information and services via the Internet without having to request assistance from the Information Technology Branch
- Provide transactions through a fast, secure, delivery system
- Provide the infrastructure for deployment of Internet pages in multiple languages
- Simplifies the management of and responses to incoming e-mail correspondence from customers

Project Dependencies
None

Related Projects/Components
- **Adjudication Automation**
- **Continued Claims Redesign**
- **Internet Initial Claims**
- Verbal Language Indicator
- Web Based Claim Filing

Performance Improvement/Benefits
This project will:
- Allow UI staff to publish and manage program-related information on the EDD web site more efficiently
- Automatically categorize and route customer inquiries (e-mail) received via the web
- Automate the development and maintenance of Frequently Asked Questions (FAQ) to help reduce the volume of e-mail inquiries received
- Enable staff to quickly provide information to customers
- Provide better data to analyze electronic interactions with our customers

Customer Service Improvement
This project will:
- Provide timely and uniform responses to customers
- Provide an alternate method of obtaining information anytime
- Provide immediate answers to frequently asked questions
- Provide UI information in other languages

7.7 UI Data Validation

This ongoing project, mandated by the US DOL, will improve our capability to validate the data that is reported to the DOL. In the process we will be able to identify areas where there are inconsistencies and errors in the data.

7.8 Verbal Language Indicator

This ongoing project will add an indicator to each claim filed as to the language the customer speaks. This will allow our staff to better communicate with our customers. Currently on the automated system we only identify the language for which we supply written documents, and currently only identify English and Spanish.

7.9 Web Based Claim Filing

This ongoing project is reengineering the claim filing process and moving it into a web environment for our staff. This will improve claim filing quality and reduce the training time associated with this function.

7.10 eApply4UI

This Internet application is currently available in English and Spanish for use by customers to submit initial claim applications directly to the Department. Edits in the application reduce errors and omissions in the applications. The information is stored in a database and retrieved by EDD staff, who enter the information into the SCDB to file the claim.

7.11 ICON

The ICON project implements federally-provided software that enables connectivity with Federal wage databases for UI claims based on earnings from the U.S. Government or Military Service. This will significantly reduce the time it takes to fund the claims and provide benefits to the customers.

7.12 Centralized Print And Mail

The intent of the Consolidated Print and Mail project is to present a unified professional appearance in all Department correspondence to our customers. In addition, the CPM will handle paper notices, as well as electronic notifications, and provide storage, tracking and recall capability for both mediums.

It is also anticipated that this project will also allow for future enhancements by offering an Electronic Mail option that will allow for electronic communications with customers and employers and for storage and retrieval of all electronic communications sent and received by EDD.

7.13 Single Client Database Redesign Project

The Single Client Database is an antiquated application that no longer supports the business or informational needs of the Department. The UI Branch will work with the DI branch to develop a database that meets the needs of the two programs. This project will also replace the benefit accounting systems. The SCDB is based upon old technology, which makes changes difficult, expensive and time consuming. In addition, obtaining information from the database requires custom programming of expensive sweeps whereas more modern database technology allows for simple ad-hoc reporting using inexpensive query tools.

8.0 IMPLEMENTING THE MODERNIZATION STRATEGY

The Department's goal is, within five years, complete the automation projects for which Feasibility Study Reports are being submitted with this Strategy. To help understand the interrelationships and interdependencies of these projects, they are shown on the chart that follows with projected start and end dates. The initiation of the projects is dependant upon external approvals. Therefore, the dates shown are for illustrative purposes only and are subject to change. The chart assumes that initial project development will commence 90 days after project approval, to allow time for procurement processes. Each Feasibility Study Report will include elapsed time from approval or from the completion of other work upon which that project is dependent.

Project Components, Functional Dependencies and Estimated Timelines For Development

PROPOSED PROJECT	PROJECT COMPONENTS	PROJECT DEPENDENCIES	ESTIMATED DEVELOPMENT & IMPLEMENTATION TIMELINE
CONTINUED CLAIMS REDESIGN			*July 2003 to November 2006*
	Telephone Certification	First phase, using existing payment edit programs	
	Payment Program Redesign	Direct Deposit Telephone Certification Internet Certification WBCF (for storage of info)	
	Internet Certification	Telephone Certification EASE (for secure access to SCDB data) TAME (Policy Director) for authentication	
	Direct Deposit	Client Registry portion of Internet Initial Claims (storage of Bank information)	

PROPOSED PROJECT	PROJECT COMPONENTS	PROJECT DEPENDENCIES	ESTIMATED DEVELOPMENT & IMPLEMENTATION TIMELINE
INTERNET INITIAL CLAIMS			*July 2003 to February 2007*
	Internet Initial Claim Filing	WBCF phase 1 and 2 must be in place before component can proceed EASE (for full interactive function security) TAME (formerly Policy Director) for authentication.	
	Internet Information System	Internet Initial Claim Filing and all its dependencies	
CALL CENTER UPGRADE			*July 2003 to June 2006*
	Call Center Expansion	None	July 2003 to June 2004
	UI Remote Call Monitoring & recording	Call Center Expansion	July 2003 to December 2005
	Network Interactive Voice Response	None	July 2003 to September 2004
	Call Center Network Platform and Application Upgrade	Call Center Expansion Network Interactive Voice Response unit	July 2003 to June 2006

PROPOSED PROJECT	PROJECT COMPONENTS	PROJECT DEPENDENCIES	ESTIMATED DEVELOPMENT & IMPLEMENTATION TIMELINE
ADJUDICATION AUTOMATION			*January 2005 to December 2006*
	Adjudication Redesign	Web Based Claim Filing Client Registry portion of Internet Initial Claims	
	Scheduling, Workload and Information Management System	Web Based Claim Filing Client Registry portion of Internet Initial Claims	
NEW EMPLOYEE REGISTRY (NER) BENEFIT CROSSMATCH			*April 2005 to March 2007*
		Client Registry portion of Internet Initial Claims Scheduling, Workload and Information Management Web Based Claim Fling	
WEB CONTENT MANAGEMENT SOLUTION			*July 2003 to December 2004*
		None identified	

PROJECT	PROJECT COMPONENTS	PROJECT DEPENDENCIES	ESTIMATED DEVELOPMENT & IMPLEMENTATION TIMELINE
ONGOING RELATED PROJECTS			
UI Data Validation		None Identified	August 2002 to July 2003
Verbal Language Indicator		None Identified	January 2003 to June 2003
Web Based Claim Fling		None Identified	April 2002 to October 2004
eApply4UI		None Identified	Completed
ICON Enhancement (UCFE/UCX)		None Identified	December 2002 to March 2003

PROJECT	PROJECT COMPONENTS	PROJECT DEPENDENCIES	TIMELINE
FUTURE AUTOMATION PROJECTS			
SINGLE CLIENT DATABASE REDESIGN	Study to plan database migration Perform database migration	All planned non-telecom projects must be completed prior to the "perform" phase of this project	To be determined
CENTRALIZED PRINT AND MAIL	Develop an enterprise document management system.	To be determined in Feasibility Study Phase	To be determined

Estimated Project Timeframes Chart

PROJECT TIME FRAMES	SFY 03/04		SFY 04/05		SFY 05/06		SFY 06/07		SFY 07/08		Est. End Date
CONTINUED CLAIMS REDESIGN	▓	▓	▓	▓	▓	▓	▓				November '06
INTERNET INITIAL CLAIMS	▓	▓	▓	▓	▓	▓	▓	▓			February '07
CALL CENTER UPGRADE	▓	▓	▓	▓	▓	▓					June '06
Call Center Expansion	░	░									June '04
UI Remote Call Monitoring and Recording	░	░	░	░							December '05
Network Interactive Voice Response	░	░	░								September '04
Call Center Network Platform and Application Upgrade	░	░	░	░	░	░					June '06
ADJUDICATION AUTOMATION				▓	▓	▓	▓				December '06
NEW EMPLOYEE REGISTRY BENEFIT CROSSMATCH				▓	▓	▓	▓	▓			March '07
WEB CONTENT MANAGEMENT SOLUTION	▓	▓	▓								December '04
SCDB DATABASE REDESIGN							*Est.*	░	░	░	TBD
CENTRALIZED PRINT AND MAIL							*Est.*	░	░	░	TBD

NOTE: Each State Fiscal Years (SFY) is divided into two cells. The first half of the SFY begins July 1 and ends December 31. The second half begins January 1 and ends June 30 of each year. Project timeframes are represented as the ending within the cell shown.